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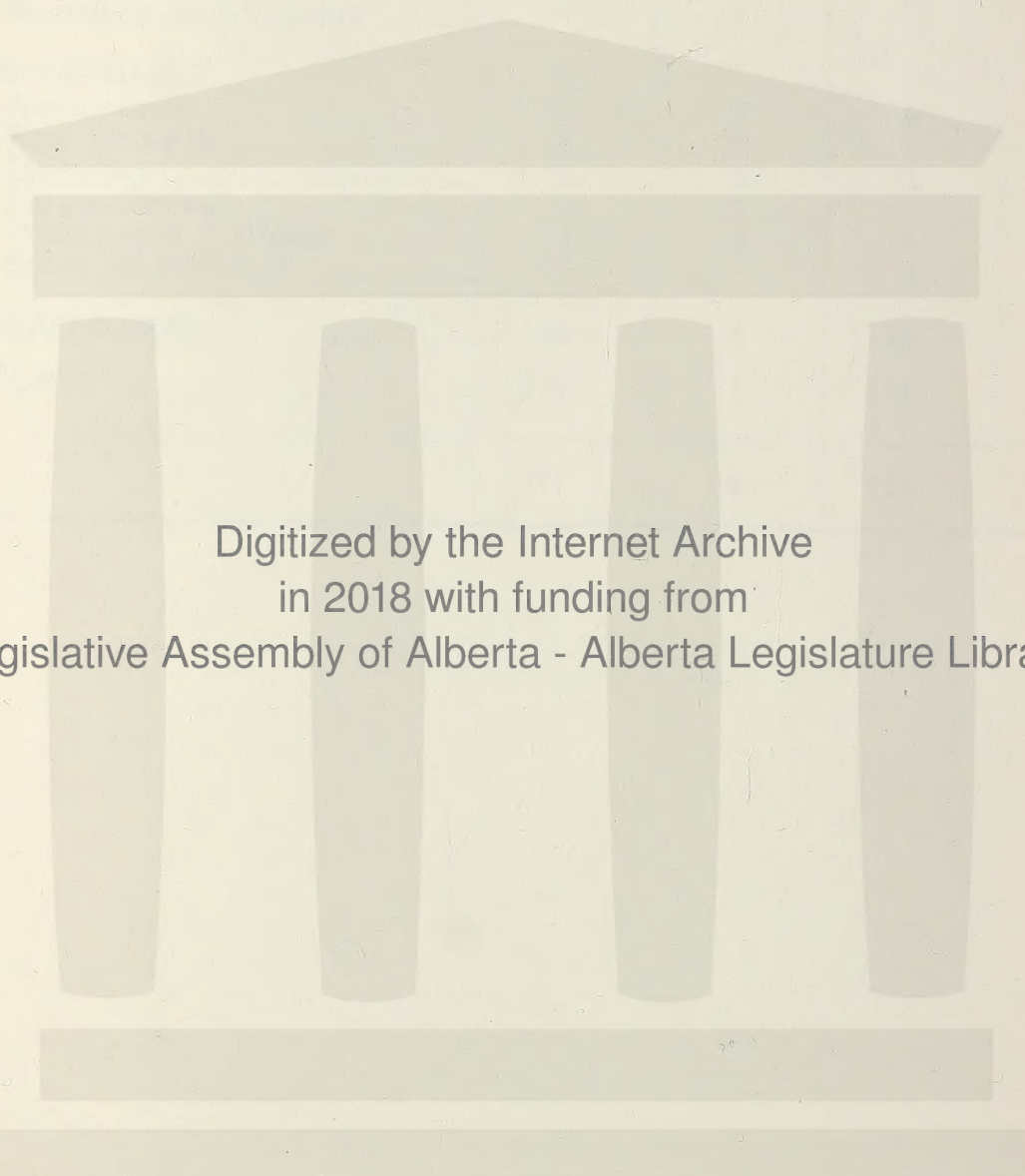
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TWENTY-SIXTH ANNUAL
REPORT
OF THE
Alberta
Liquor Control Board

OF THE
PROVINCE OF ALBERTA
1949

(FROM 1st APRIL, 1949, TO 31st MARCH, 1950)

PUBLISHED BY ORDER OF THE LEGISLATIVE ASSEMBLY



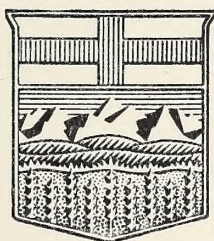
EDMONTON
Printed by A. Shnitka, King's Printer
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ALBERTA LIQUOR CONTROL BOARD

Edmonton, 15th January, 1951.

The Honourable Ernest C. Manning,

Premier

Parliament Buildings,

EDMONTON, Alberta.

Sir:

I have the honour to submit herewith the Report of the Alberta Liquor Control Board, covering the fiscal period from the 1st April, 1949, to the 31st March, 1950.

I have the honour to be, Sir,

Your obedient servant,

A. J. MASON,

Chairman.

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"B": Memorandum of Permits Issued.

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REPORT OF THE ALBERTA LIQUOR CONTROL BOARD

The twenty-sixth Annual Report of the Board, which is presented herein, covers operations during the Fiscal Year ended 31st March, 1950.

Net income for the year amounted to \$11,814,309.27, in addition to which a sum of \$165,160.25 was realized from the sale of Permits.

Financial Statements and Appendices are included with the Report.

LICENSES

No addition was made to the number of Breweries operating in the Province, and as in previous years, five such Licenses were issued. The products of these Breweries delivered to the Board for resale to Licensees and permittees have been subjected continuously to intensive inspection and analysis. These inspections have been carried out under the direction of Dr. J. A. Kelso, the Provincial Analyst, who has set a high standard which must be met before he is prepared to approve and recommend the products to the Board.

Licenses issued by the Board remain in effect for the Calendar Year, unless cancelled for cause or surrendered when the business is sold during the year.

Again there has been a large turnover in Hotel properties, no fewer than forty-seven Hotels have been sold during the year. This wholesale transfer of interests, which continued practically right up until the latter days of December, has very materially increased the work of administration, more particularly so as very many of the purchasers have had little or no previous Hotel experience.

If this heavy turnover is to continue year by year, the Board will have to give serious consideration to a recommendation that an adequate transfer fee be assessed, possibly based on the volume of business done in the previous year.

Actually, 443 Licenses were issued during the year, although the number of Hotels involved was 396 only. Two of these were destroyed by fire, these being located at Cambria and Warner. Through the vigilance of the Licensee or of his employees, all guests were enabled to leave the buildings in ample time, and there was no injury or loss of life.

One License was cancelled owing to mis-representation with respect to a sale of the property. In addition, One License was cancelled as a result of the Licensee selling Beer during prohibited hours. Five were suspended owing to sales to minors, whilst one suspension was imposed owing to the unsatisfactory manner in which the Hotel premises were being maintained.

Off-premises sale privileges were temporarily withdrawn from Three Hotels through non-observance of the regulations regarding these sales.

ALBERTA LIQUOR CONTROL BOARD

Considerable progress has been made in the rehabilitation of many of the Hotels throughout the Province, with the result that Hotels in rural Alberta compare very favourably with those to be found in other parts of Canada.

In this work, and also in all matters in connection with the Hotel industry, the Board has been fortunate in receiving the full support and co-operation of the Alberta Hotel Association, and to the Officers and Officials of that organization it now extends its very grateful thanks.

Four additional Club Licenses were granted since the last Report was issued, making a total of Sixty-six such Licenses in effect during the year under review.

Canteens, operating under the control of the Armed Forces, to the number of Twenty-six obtained licenses, and these, together with the Clubs, were operated without incident, and it was not necessary for the Board to impose penalties.

A Statement showing Licenses issued and penalties imposed will be found in Appendix "A".

FLAVOURING EXTRACTS AND ESSENCES (ALCOHOLIC)

The number of Licenses issued to Retailers, authorizing them to keep for sale and to sell Alcoholic Flavouring Extracts and Essences, totalled 1,662, and only one such license was cancelled for cause during the year.

GOVERNMENT LIQUOR STORES

During the year three additional Liquor Stores were opened, these being located at Edmonton West, Brooks and Rocky Mountain House.

The Store in Edmonton has materially relieved the pressure on the Main Store, whilst those at Brooks and Rocky Mountain House were necessitated by increased volume of business in those areas.

LAW ENFORCEMENT

Periods of prosperity, accompanied, as they are, by freer spending for luxury goods on the part of the public, bring added problems to those entrusted with the enforcement of the Liquor Laws, and this has been the situation in this Province during the past few years. In spite of this, the Officers of the Royal Canadian Mounted Police, and those of the City and Municipal Police Forces throughout the Province have carried out these duties in an exemplary manner, and to all of them the Board extends its thanks and appreciation.

GENERAL REMARKS

During the Fiscal Year 674 Orders of Interdiction were received, and 507 Orders were revoked or became void, leaving 1,459 in effect as at the 31st March, 1950.

Individual Permits to the number of 486, which included 350 issued in the names of persons interdicted during the year, were cancelled.

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Vendors at Government Liquor Stores filled 107 Prescriptions issued by Medical Practitioners.

The number of individual sales to Permittees totalled 4,015,023, at an average for each sale of \$5.85, which average is exactly the same as that for the previous year.

Licensee customers placed 43,290 separate orders during the year.

Shipments by Express to Permittees, at points at which there are no Government Liquor Stores, but where an Express Agent maintains an Office, totalled 16,030, which is 2,342 less than the number shipped by this method during the previous year.

In addition to the packages shipped by Express, 1,001 parcels were dispatched through the mails to points at which an Express Office is not located.

Entries and Clearances through Dominion Government Customs and Excise Bonds are made by our own Staff, and 5,342 such Entries were completed during the year.

Cash and Trade Discounts amounting to \$31,767.87 were obtained by the Board, and these are shown in the Financial Statements.

The Board and the Brewers of Alberta paid to the Dominion Government, collectively, a sum of approximately \$10,463,000, representing Customs and Excise Duty, Malt and Sales Tax on products sold through the Government Liquor Stores and Warehouses.

Approximately 12,393,000 Gallons of Beer were sold through the Government Liquor Stores and Warehouses during the Fiscal Year, and of this quantity, all but 48,600 Gallons were manufactured within the Province.

A comparison of the sales of all Liquors, in Imperial Gallons, appears below:

| | Imported | Domestic |
|------------------------|----------|------------|
| Beer | 3,200 | 12,390,000 |
| Wines | 33,900 | 164,000 |
| Liqueurs | 8,150 | 15,900 |
| Spirits | 187,300 | 346,300 |
| Alcohol—65 O.P. | | 70 |
| Alcohol—Absolute | | 16 |

STAFF

No Report would be complete without a tribute to a loyal and efficient Staff. Increased volume of business has entailed services frequently beyond the call of regular duty, and when necessary, these have been given willingly and efficiently. The Board takes very much pleasure in recording its appreciation.

All of which is respectfully submitted,

A. J. MASON,

Chairman.

ALBERTA LIQUOR CONTROL BOARD
STATEMENT "A"
ALBERTA LIQUOR CONTROL BOARD
BALANCE SHEET AS AT MARCH 31, 1950

ASSETS

| | | | |
|--|----|---------------|------------------------|
| Cash on hand | \$ | 13,826.17 | |
| Cash in banks and treasury branches | | 120,383.56 | |
| | | | \$ 134,209.73 |
| Inventories: | | | |
| Stocks of liquor in bond at cost | \$ | 580,187.82 | |
| Stocks of liquor in warehouses and stores at warehouse cost | | 1,678,209.03 | |
| Liquor in transit | | 170,750.41 | |
| Containers on hand | | 1,412.70 | |
| | | | 2,430,559.96 |
| Accounts receivable | | | 38,919.11 |
| Automobiles, furniture and fixtures at cost less reserve for depreciation | | | 4,813.45 |
| Prepaid expenses | | | 28,313.99 |
| Provincial Treasurer: | | | |
| Income for year ended March 31, 1950: | | | |
| Liquor profits and license fees | \$ | 11,814,309.27 | |
| Permit fees | | 167,822.25 | |
| | | | \$ 11,982,131.52 |
| Deduct: | | | |
| Excess remittances, April 1, 1949 | \$ | 29,743.15 | |
| Remittances during year ended March 31, 1950 | | 11,970,256.85 | |
| | | | 12,000,000.00 |
| Excess remittances, March 31, 1950 | | | 17,868.48 |
| | | | <u>\$ 2,654,684.72</u> |

LIABILITIES

| | | | |
|----------------------------------|----|--------------|------------------------|
| Bank of Montreal overdraft | \$ | 174,265.85 | |
| Accounts payable | | 1,766,773.12 | |
| Unearned license revenue | | 53,645.75 | |
| Reserves: | | | |
| Burglary | \$ | 10,000.00 | |
| General | | 650,000.00 | |
| | | | 660,000.00 |
| | | | <u>\$ 2,654,684.72</u> |

A. J. MASON, Chairman.

J. M. McCRAY, Accountant.

Contingent liability:

The Board has a contingent liability with respect to non-contributory pensions which may be awarded upon employees reaching retirement age.

Edmonton, Alberta, July 11, 1950.

I have audited the books and records of the Alberta Liquor Control Board for the year ended March 31, 1950.

Physical inventories of liquors and containers were taken at March 31, 1950, by officials of the Board. Quantities were certified by respective warehouse and store managers. Cost of transferring stocks from warehouses to stores was not included in the inventory valuation. Inventories included goods on consignment amounting to \$331,356.45, the corresponding liability being included with accounts payable on the Balance Sheet.

Subject to the foregoing, I certify that, in my opinion, the above Balance Sheet is properly drawn up so as to show the true financial position of the Alberta Liquor Control Board as at March 31, 1950, according to information and explanations given to me and as shown by the books of the Board, and the accompanying Statement of Profit and Loss correctly sets forth the result of operations for the year ended at that date.

C. K. HUCKVALE, C.A.,
Provincial Auditor.

ANNUAL REPORT, 1949

STATEMENT "B"

ALBERTA LIQUOR CONTROL BOARD

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 1950

| | Liquor | Beer | Total |
|---|------------------------|------------------------|--------------------------------|
| Gross sales | \$ 16,558,575.77 | \$ 23,292,087.54 | \$ 39,850,663.31 |
| Less: Cost of goods sold | 8,532,803.82 | 18,837,236.79 | 27,370,040.61 |
| | <u>\$ 8,025,771.95</u> | <u>\$ 4,454,850.75</u> | <u>\$ 12,480,622.70</u> |
| Less: Stores' operating expenses | | | 1,320,682.86 |
| | | | <u>\$ 11,159,939.84</u> |
| Add: Special income: | | | |
| License fees | \$ 696,785.49 | | |
| Less: License expense | 45,882.48 | | |
| | <u>\$ 650,903.01</u> | | |
| Sundry revenue | 45,568.59 | | |
| Interest earned on bank balances | 8,626.82 | | |
| | | | <u>705,098.42</u> |
| Net operating profit | | | <u>\$ 11,865,038.26</u> |
| Less: Non-operating expense: | | | |
| Capitalized value of non-contributory pensions awarded | \$ 44,809.78 | | |
| Permit expense | 4,901.46 | | |
| Local option plebiscites | 1,017.75 | | |
| | | | <u>50,728.99</u> |
| Net income for year ended March 31, 1950 | | | <u><u>\$ 11,814,309.27</u></u> |

ALBERTA LIQUOR CONTROL BOARD

STATEMENT "C"

ALBERTA LIQUOR CONTROL BOARD

COST OF GOODS SOLD

FOR THE YEAR ENDED MARCH 31, 1950

Inventory, April 1, 1949:

| | | |
|--------------|-----------------|-----------------|
| Liquor | \$ 1,424,694.04 | |
| Beer | 286,994.52 | |
| | | \$ 1,711,688.56 |

Add:

| | | |
|-------------------------------------|-----------------|------------------|
| Purchases, liquor | \$ 3,547,924.80 | |
| Purchases, confiscated liquor | 772.40 | |
| Purchases, jugs and bottles | 67,984.33 | |
| Duty and sales tax | 5,014,591.89 | |
| Inward freight | 429,820.34 | |
| Marine insurance | 12,024.13 | |
| | \$ 9,073,117.89 | |
| Purchases, beer | 18,886,186.48 | |
| | | 27,959,304.37 |
| | | \$ 29,670,992.93 |

Less:

| | | |
|--------------------------------|--------------|------------------|
| Cash and trade discounts | \$ 31,622.35 | |
| Claims | 10,304.09 | |
| Breakages | 629.03 | |
| | | 42,555.47 |
| | | \$ 29,628,437.46 |

Less: Inventory, March 31, 1950:

| | | |
|--------------|-----------------|--------------|
| Liquor | \$ 1,922,452.64 | |
| Beer | 335,944.21 | |
| | | 2,258,396.85 |

| | |
|--|------------------|
| Cost of goods sold for year ended March 31, 1950 | \$ 27,370,040.61 |
|--|------------------|

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STATEMENT "D"

LIST OF NET SALES OF LIQUOR AND BEER BY STORES

FOR YEAR APRIL 1st, 1949 TO MARCH 31st, 1950

| | Sales | Sales | Liquor & Beer |
|----------------------------|----------------------|----------------------|----------------------|
| | Net Liquor | Net Beer | Total Sales |
| Athabasca | 111,153.99 | 65,358.40 | 176,512.39 |
| Banff | 266,605.20 | 100,728.30 | 367,333.50 |
| Banff Springs Hotel | 67,769.05 | | 67,769.05 |
| Bassano | 119,938.10 | 32,973.05 | 152,911.15 |
| Blairmore | 151,378.60 | 422,272.97 | 573,651.57 |
| Bonnyville | 72,067.15 | 40,042.95 | 112,110.10 |
| Brooks | 17,848.00 | 5,097.25 | 22,945.25 |
| Cadomin | 120,846.05 | 49,986.95 | 170,833.00 |
| Calgary West | 3,191,801.48 | 718,809.65 | 3,910,611.13 |
| Calgary East | 1,055,081.45 | 411,571.55 | 1,466,653.00 |
| Calgary Mail Order | 13,227.60 | 1,592.60 | 14,820.20 |
| Calgary Beer | | 4,951,619.28 | 4,951,619.28 |
| Camrose | 223,217.80 | 734,975.87 | 958,193.67 |
| Coleman | 96,581.75 | 62,051.80 | 158,633.55 |
| Coronation | 72,497.40 | 24,885.60 | 97,383.00 |
| Drumheller | 341,074.95 | 906,239.19 | 1,247,314.14 |
| Edmonton North | 3,660,368.90 | 1,089,061.30 | 4,749,430.20 |
| Edmonton South | 1,322,625.85 | 508,545.95 | 1,831,171.80 |
| Edmonton West | 371,446.25 | 79,486.25 | 450,932.50 |
| Edmonton Mail Order | 45,562.59 | 8,002.75 | 53,565.34 |
| Edmonton Beer | | 6,763,290.41 | 6,763,290.41 |
| Edson | 149,096.75 | 333,750.22 | 482,846.97 |
| Grande Prairie | 258,666.08 | 482,300.51 | 740,966.59 |
| Hanna | 130,727.80 | 35,234.20 | 165,962.00 |
| High River | 202,543.20 | 56,870.15 | 259,413.35 |
| Jasper | 168,616.40 | 28,374.10 | 196,990.50 |
| Lac La Biche | 76,768.60 | 45,375.90 | 122,144.50 |
| Lacombe | 162,166.94 | 530,440.26 | 692,607.20 |
| Lake Louise | 38,264.05 | | 38,264.05 |
| Lethbridge | 929,966.10 | 370,936.80 | 1,300,902.90 |
| Lethbridge Beer | | 1,335,569.59 | 1,335,569.59 |
| Lloydminster | 185,142.10 | 78,634.20 | 263,776.30 |
| Macleod | 182,466.15 | 144,859.87 | 327,326.02 |
| Medicine Hat | 473,573.56 | 644,529.15 | 1,118,102.71 |
| Milk River | 60,761.90 | 26,990.80 | 87,752.70 |
| Mundare | 114,452.35 | 40,079.55 | 154,531.90 |
| McLennan | 124,722.36 | 432,750.53 | 557,472.89 |
| Nordegge | 57,294.15 | 107,153.65 | 164,447.80 |
| Peace River | 210,319.05 | 427,359.91 | 637,678.96 |
| Pincher Creek | 92,034.80 | 30,067.15 | 122,101.95 |
| Red Deer | 345,428.33 | 554,845.98 | 900,274.31 |
| Rocky Mountain House | 5,838.00 | 1,261.55 | 7,099.55 |
| Smoky Lake | 110,636.45 | 67,841.00 | 178,477.45 |
| Stettler | 146,918.65 | 40,687.70 | 187,606.35 |
| St. Paul | 128,767.41 | 74,389.90 | 203,157.31 |
| Taber | 123,598.15 | 57,601.85 | 181,200.00 |
| Vegreville | 177,078.60 | 87,742.05 | 264,820.65 |
| Vermilion | 134,921.55 | 58,844.70 | 193,766.25 |
| Wainwright | 138,459.63 | 45,050.45 | 183,510.08 |
| Waterton Park | 30,125.90 | 13,215.10 | 43,341.00 |
| Wetaskiwin | 176,407.85 | 79,546.15 | 255,954.00 |
| Willingdon | 101,720.75 | 83,192.50 | 184,913.25 |
| | <u>16,558,575.77</u> | <u>23,292,087.54</u> | <u>39,850,663.31</u> |

ALBERTA LIQUOR CONTROL BOARD

APPENDIX "A"

STATEMENT SHOWING BREWERS', BEER, CLUB AND CANTEEN
LICENSES ISSUED, WITH RECORD OF CANCELLATIONS
AND SUSPENSIONS

BREWERS' LICENSES ISSUED 1949

| License Number | Name of Brewery | Place |
|-------------------|--|------------|
| 1 | Sicks' Edmonton Brewery Limited | Edmonton |
| 2 | Sicks' Lethbridge Brewery Limited | Lethbridge |
| 3 | Calgary Brewing and Malting Company Limited..... | Calgary |
| 4 | Northwest Brewing Company Limited..... | Edmonton |
| 5 | Big Horn Brewing Company Limited | Calgary |

SUSPENSIONS OF BREWERY PRIVILEGES 1949

Nil

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NUMBER OF BEER LICENSES IN FORCE AS AT

DECEMBER 31st, 1949 393

CANCELLATIONS AND SUSPENSIONS OF BEER LICENSE PRIVILEGES 1949

Mount Royal Hotel, Banff: Brewster Transport Company Limited, James L. Kelly, Hotel Manager, Licensee. Beer License No. 163 suspended from April 18th to April 23rd, inclusive, 1949. Serving a minor—Infraction Section 90, Government Liquor Control Act of Alberta.

Wembley Hotel, Wembley: Nathan John Nickel, Licensee. Beer License No. 159 suspended from April 18th to April 23rd, inclusive, 1949. Serving a minor—Infraction Section 90, Government Liquor Control Act of Alberta.

Waterton Lakes Hotel and Chalets, Waterton Lakes: Waterton Lakes Hotel and Chalets Limited, Albert F. Roper, Manager, Licensee. Off-Premises Sale Privilege suspended from April 12th to May 14th inclusive, 1949. Unsatisfactory manner in which off-premises sales were handled during the Year 1948.

Commercial Hotel, Edmonton: Commercial Hotel (Edmonton) Limited, Alexander Pasichny, Manager, Licensee. Beer License No. 281 suspended from April 18th to April 25th, inclusive, 1949. Serving a minor—Serving an intoxicated person.

York Hotel, Grande Prairie: The City Hotel Company Ltd., B. C. Straughan, Manager, Elmer H. Hogan, Assistant Manager, Licensee. Beer License No. 295 suspended from May 6th to May 13th, inclusive, 1949. Serving a minor—Infraction Section 90, Government Liquor Control Act of Alberta.

Egremont Hotel, Egremont: Egremont Hotel Limited, Steve Hunchak, Manager, Licensee. Beer License No. 282 suspended from May 10th to May 21st, inclusive, 1949. Unsatisfactory condition of Hotel Premises.

Rosedeer Hotel, Wayne: Alexander Van Swelm, Frederick Dayman, Manager, Licensee. Beer License No. 158 suspended from May 30th to June 9th, inclusive, 1949. Serving minors.

Czar Hotel, Czar: Andrew Olson, Licensee. Beer License No. 310 cancelled June 10th, 1949. Misrepresentation to Board regarding sale of Hotel Property.

Rowley Hotel, Rowley: Archibald W. Fraser, Licensee. Beer License No. 317 cancelled July 5th, 1949. Selling during prohibited hours.

Brunswick Hotel, Vermilion: Brunswick Hotel Limited, Nick Badiuk, Manager, Licensee. Off-premises sale privilege suspended from November 8th to November 30th, inclusive, 1949. Selling beer after hours.

Elnora Hotel, Elnora: L. D. Forgues and W. R. Warden, James Wood, Manager, Licensees. Off-premises sale privilege suspended from November 21st to December 17th, inclusive, 1949. Unsatisfactory manner in which off-premises sales handled.

NUMBER OF CLUB LICENSES ISSUED DURING

THE YEAR 1949 66

SUSPENSION OF CLUB LICENSE PRIVILEGES 1949

Nil

NUMBER OF CANTEEN LICENSES ISSUED DURING

THE YEAR 1949 26

SUSPENSION OF CANTEEN LICENSE PRIVILEGES 1949

Nil

ALBERTA LIQUOR CONTROL BOARD

APPENDIX "B"

ALBERTA LIQUOR CONTROL BOARD

MEMORANDUM OF PERMITS ISSUED FROM
JANUARY 1st, 1949, TO DECEMBER 31st, 1949

| Individual: | Number | Price | Amount |
|--|----------------|--------|---------------------|
| General | 320,341 | \$.50 | \$160,170.50 |
| Special: | | | |
| Physicians, Druggists, Dentists and Veterinarians | 152 | 1.00 | 152.00 |
| Manufacturing, Mechanical and Scientific Pursuits | 27 | 1.00 | 27.00 |
| Banquets | 4,680 | 1.00 | 4,680.00 |
| Hospitals | 70 | .50 | 35.00 |
| Ministers of the Gospel | 383 | .25 | 95.75 |
| | <u>325,653</u> | | <u>\$165,160.25</u> |

ANNUAL REPORT, 1949

APPENDIX "C"

STAFF AS AT MARCH 31st, 1950

| | Male | Female | Temp'y and Casual | Total |
|--------------------------------|------|--------|-------------------------|-------|
| ADMINISTRATIVE OFFICES: | | | | |
| Chairman | 1 | | | 1 |
| Secretary to Chairman | | 1 | | 1 |
| DEPARTMENTS: | | | | |
| Accountants | 13 | 3 | 9 | 25 |
| Beer Statistics | 6 | | 1 | 7 |
| Licensing | 8 | 2 | 1 | 11 |
| Liquor Stocks | 5 | 1 | 2 | 8 |
| Traffic and Customs | 3 | 4 | 1 | 8 |
| Stores Supervision | 1 | 1 | | 2 |
| WAREHOUSES | 71 | 3 | 22 | 96 |
| STORES | 208 | 1 | 93 | 302 |
| | 316 | 16 | 129 | 461 |

